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DRAFT: [REDACTED] 15 June 1960

CONFIDENTIAL

MEMORANDUM FOR THE RECORD

SUBJECT: Processing of Procurement Transactions at Headquarters
Previously Recorded as Direct Charges Against Vouchered
Funds Allotments Controlled by Components (Other than
Procurement Allotments)

REFERENCE: Staff Study, dated 19 May 1960, subject: Controlling Property
Funds and Costs in Fiscal Year 1961

1. A change in subject is required effective 1 July 1960 resulting
from the adoption of the general procurement accounts to which all property
procurements will be charged. In fiscal year 1961 separate voucherized fund
allotments for the procurement of property will be provided to the following
components:

Contact Division
Foreign Documents Division

Office of Central Reference
Office of Research and Reports
Office of Logistics

2. The components listed above will each receive a single voucherized
fund procurement allotment, except that the voucherized funds allotments to
the Office of Logistics will include separate allotments for property
procurement as follows:

- a. Stock - TSS
- b. Direct Purchases - TSS
- c. Stock - Commo
- d. Direct Purchases - Commo
- e. Stock - Medical
- f. Direct Purchases - Medical
- g. Stock - Other
- h. Direct Purchases - Other
- i. Administrative Property at Headquarters
- j. Other Property Procurement

3. Effective 1 July 1960, procurement transactions at headquarters previously recorded as direct charges against vouchered fund allotments controlled by components (other than procurement allotments) will be processed as follows:

a. Requisitioner:

- (1) If requisitioned by components listed in paragraph 1 above, the requisition shall show certification of cost authority available and cite the procurement allotment of the requisitioner in addition to the cost center number to be charged for the cost; in the case of Logistics requisitions, the procurement allotment listed as item "J" in paragraph 2, above, shall be cited.
- (2) If requisitioned by other components, the requisition shall show certification of cost authority available and cite only the cost center account number to be charged as the procurement will be made by Logistics against the appropriate Stock procurement allotment.
- (3) Requisitioner shall forward the requisition to Logistics for procurement action.
- (4) Receives property and forwards receiving report and billing to the Fiscal Division.

b. Office of Logistics

- (1) Reviews requisitions, verifies the allotment account designated to be charged, if any; or assigns allotment account to be charged for requisitions referred to in paragraph 3a(2) above.

- (2) Prepares purchase order citing appropriate fund allotment and the cost center number reflected on the requisition, and forwards copy of purchase order to the Fiscal Division.
- (3) The Document Stock Control Section shall process the receipt of nonexpendable property applicable to headquarters FPA procedures based upon receiving report received from the Finance Division (see item 3d(1) below).

c. Fiscal Division:

- (1) Records obligation based on copy of purchase order received from the Office of Logistics.
- (2) Upon payment for the property, records the following entry:

Debit: Account 535 (Cites allotment designated on the purchase order)

Credit: Cash

- (3) Liquidates obligation
- (4) Forwards copy of voucher with attached documents to the Finance Division.

d. Finance Division

Based upon Fiscal Division vouchers makes the following entries:

- (1) For nonexpendable items to be recorded under headquarters financial property accounting procedures:

Debit: Account 303.2

Credit: Account 535

NOTE: The Finance Division shall transmit a copy of the receiving report for each item of such property to the Document Stock Control Section, Office of Logistics for processing under FPA.

(2) For nonexpendable items under Type II FPA procedures:

Debit: Account 602.3

Credit: Account 535

Debit: Account 176

Credit: Account 376.

(3) For expendable items:

Debit: Account 602.2

Credit: Account 535